

House File 650

H-1415

1 Amend House File 650 as follows:

2 1. By striking everything after the enacting clause and  
3 inserting:

4 <Section 1. Section 222.73, subsection 2, paragraph b, Code  
5 2017, is amended to read as follows:

6 *b.* The per diem costs billed to each mental health and  
7 disability services region shall not exceed the per diem costs  
8 billed to the county region in the fiscal year beginning July  
9 1, ~~1996~~ 2016. ~~However, the per diem costs billed to a county~~  
10 ~~may be adjusted for a fiscal year to reflect increased costs~~  
11 ~~to the extent of the percentage increase in the statewide per~~  
12 ~~capita expenditure target amount, if any per capita growth~~  
13 ~~amount is authorized by the general assembly for that fiscal~~  
14 ~~year in accordance with section 331.424A.~~

15 Sec. 2. Section 229.11, Code 2017, is amended by adding the  
16 following new subsection:

17 NEW SUBSECTION. 1A. If a respondent is detained pursuant to  
18 subsection 1, paragraph "b" or "c", the sheriff or the sheriff's  
19 deputy that took the respondent into immediate custody may  
20 inform the hospital or facility that an arrest warrant has been  
21 issued for or charges are pending against the respondent and  
22 may request the hospital or facility to notify the sheriff or  
23 the sheriff's deputy about the discharge of the respondent  
24 prior to discharge.

25 Sec. 3. Section 230.20, subsection 2, paragraph b, Code  
26 2017, is amended to read as follows:

27 *b.* The per diem costs billed to each mental health and  
28 disability services region shall not exceed the per diem costs  
29 billed to the county region in the fiscal year beginning July  
30 1, ~~1996~~ 2016. ~~However, the per diem costs billed to a mental~~  
31 ~~health and disability services region may be adjusted annually~~  
32 ~~to reflect increased costs, to the extent of the percentage~~  
33 ~~increase in the statewide per capita expenditure target amount,~~  
34 ~~if any per capita growth amount is authorized by the general~~  
35 ~~assembly for the fiscal year in accordance with section 426B.3.~~

1     Sec. 4. Section 331.391, subsection 4, Code 2017, is amended  
2 by striking the subsection and inserting in lieu thereof the  
3 following:

4     4. *a.* If a region is meeting the financial obligations  
5 for implementation of its regional service system management  
6 plan for a fiscal year and residual funding is anticipated,  
7 the regional administrator shall reserve an adequate amount of  
8 unobligated and unencumbered funds for cash flow of expenditure  
9 obligations in the next fiscal year.

10    *b.* For fiscal years beginning July 1, 2017, July 1, 2018,  
11 and July 1, 2019, that portion of each region's cash flow  
12 amount either reserved in the combined account or reserved  
13 among all separate county accounts under the control of the  
14 governing board that exceeds twenty-five percent of the gross  
15 expenditures from the combined account or from all separate  
16 county accounts under control of the governing board in the  
17 fiscal year preceding the fiscal year in progress shall be used  
18 in whole or in part to fund the payment of services provided  
19 under the regional service system management plan under section  
20 331.393.

21    *c.* Each region shall certify to the department of management  
22 on or before December 1, 2020, and each December 1 thereafter,  
23 the amount of the region's cash flow amount in the combined  
24 account that is attributable to each county within the region  
25 based upon each county's proportionate amount of funding and  
26 contributions to the region or other methodology specified in  
27 the regional governance agreement or certify the cash flow  
28 amount for each separate county account that is under the  
29 control of the governing board at the conclusion of the most  
30 recently completed fiscal year.

31    *d.* (1) For fiscal years beginning on or after July 1, 2021,  
32 for each region having a population of one hundred thousand or  
33 over, the region's cash flow amount shall not exceed twenty  
34 percent of the gross expenditures from the combined account  
35 or from all separate county accounts under control of the

1 governing board for the fiscal year preceding the fiscal year  
2 in progress.

3 (2) For fiscal years beginning on or after July 1, 2021,  
4 for each region having a population of less than one hundred  
5 thousand, the region's cash flow amount shall not exceed  
6 twenty-five percent of the gross expenditures from the combined  
7 account or from all separate county accounts under control of  
8 the governing board for the fiscal year preceding the fiscal  
9 year in progress.

10 Sec. 5. Section 331.424A, subsection 1, Code 2017, is  
11 amended by striking the subsection and inserting in lieu  
12 thereof the following:

13 1. For the purposes of part 6 of division III of this  
14 chapter, this section, and chapter 426B, unless the context  
15 otherwise requires:

16 *a. "Base expenditure amount"* is an amount determined for  
17 each county that is the lesser of the following amounts:

18 (1) The county's base year expenditures for mental health  
19 and disabilities services, as defined in section 331.424A,  
20 subsection 1, paragraph "a", Code 2017.

21 (2) The product of the statewide per capita expenditure  
22 target amount multiplied by the county's population for the  
23 fiscal year beginning July 1, 2017.

24 *b. "Cash flow reduction amount"* means the amount calculated  
25 under subsection 4 and used to reduce a county budgeted amount  
26 under subsection 9 for fiscal years beginning on or after July  
27 1, 2021.

28 *c. "County budgeted amount"* means the amount calculated  
29 under subsection 9 and certified for levy under subsection 6.

30 *d. "County services fund"* means a county mental health and  
31 disabilities services fund created pursuant to this section.

32 *e. "Population"* means the population shown by the latest  
33 preceding certified federal census or the latest applicable  
34 population estimate issued by the federal government, whichever  
35 is most recent and available as of July 1 of the fiscal year

1 preceding the fiscal year to which the funding calculations  
2 apply.

3 *f.* "Region" means a mental health and disability services  
4 region formed in accordance with section 331.389.

5 *g.* "Regional per capita expenditure target amount" means the  
6 amount determined in subsection 8 for each region.

7 *h.* "Statewide per capita expenditure target amount" means  
8 forty-seven dollars and twenty-eight cents.

9 Sec. 6. Section 331.424A, subsection 4, Code 2017, is  
10 amended by striking the subsection and inserting in lieu  
11 thereof the following:

12 4. *a.* An amount of unobligated and unencumbered funds,  
13 as specified in the regional governance agreement entered  
14 into by the county under section 331.392, shall be reserved  
15 in the county services fund to address cash flow obligations  
16 in the next fiscal year, subject to the limitations of this  
17 subsection.

18 *b.* For fiscal years beginning July 1, 2017, July 1, 2018,  
19 and July 1, 2019, that portion of each county's cash flow  
20 amount reserved in the county services fund that exceeds an  
21 amount equal to twenty-five percent of the gross expenditures  
22 from the county services fund in the fiscal year preceding  
23 the fiscal year in progress shall be used in whole or in part  
24 to fund the county's financial obligations for the payment of  
25 services provided under the regional service system management  
26 plan under section 331.393.

27 *c.* Each county shall, as part of the financial report  
28 required under section 331.403, certify the county's cash flow  
29 amount in the county services fund at the conclusion of the  
30 most recently completed fiscal year.

31 *d.* For each fiscal year beginning on or after July 1,  
32 2021, of a county's cash flow amount maintained in the county  
33 services fund or of the region's cash flow amount attributable  
34 to the county under section 331.391, subsection 4, paragraph  
35 "c", an amount equal to the county's cash flow reduction amount

1 shall be used to fund the county's financial obligations for  
2 the payment of services provided under the regional service  
3 system management plan under section 331.393.

4 e. For each fiscal year beginning on or after July 1, 2021,  
5 each county's cash flow reduction amount shall be determined as  
6 follows and shall result in a reduction of the county budgeted  
7 amount determined pursuant to subsection 9:

8 (1) For each county located in a region having a population  
9 of one hundred thousand or over, the county's cash flow  
10 reduction amount equals the sum of the county's cash flow  
11 amount in the county services fund plus the most recent amount  
12 certified by the region for the county under section 331.391,  
13 subsection 4, paragraph "c", minus twenty percent of the gross  
14 expenditures from the county services fund in the fiscal year  
15 preceding the fiscal year in progress. However, the cash flow  
16 reduction amount shall not be less than zero and shall not  
17 exceed the county budgeted amount determined under subsection 9  
18 prior to any reduction resulting from the cash flow reduction  
19 amount.

20 (2) For each county located in a region having a population  
21 of less than one hundred thousand, the county's cash flow  
22 reduction amount equals the sum of the county's cash flow  
23 amount in the county services fund plus the most recent amount  
24 certified by the region for the county under section 331.391,  
25 subsection 4, paragraph "c", minus twenty-five percent of the  
26 gross expenditures budgeted from the county services fund for  
27 the fiscal year in progress. However, the cash flow reduction  
28 amount shall not be less than zero and shall not exceed the  
29 county budgeted amount determined under subsection 9 prior to  
30 any reduction resulting from the cash flow reduction amount.

31 Sec. 7. Section 331.424A, subsections 6 and 7, Code 2017,  
32 are amended to read as follows:

33 6. For each fiscal year, the county shall certify a levy  
34 for payment of services. For each fiscal year, county revenues  
35 from taxes imposed by the county credited to the county

1 services fund shall not exceed an amount equal to the county  
2 budgeted amount of base year expenditures for mental health  
3 and disability services for the fiscal year. A levy certified  
4 under this section is not subject to the appeal provisions of  
5 section 331.426 or to any other provision in law authorizing  
6 a county to exceed, increase, or appeal a property tax levy  
7 limit.

8 7. Appropriations specifically authorized to be made from  
9 the ~~mental health and disabilities~~ county services fund shall  
10 not be made from any other fund of the county.

11 Sec. 8. Section 331.424A, subsection 8, Code 2017, is  
12 amended by striking the subsection and inserting in lieu  
13 thereof the following:

14 8. For the fiscal year beginning July 1, 2017, the regional  
15 per capita expenditure target amount is the sum of the base  
16 expenditure amount for all counties in the region divided by  
17 the population of the region. However, a regional per capita  
18 expenditure target amount shall not exceed the statewide  
19 per capita expenditure target amount. For the fiscal year  
20 beginning July 1, 2018, and each subsequent fiscal year, the  
21 regional per capita expenditure target amount for each region  
22 is equal to the regional per capita expenditure target amount  
23 for the fiscal year beginning July 1, 2017.

24 Sec. 9. Section 331.424A, Code 2017, is amended by adding  
25 the following new subsection:

26 NEW SUBSECTION. 9. For the fiscal year beginning July 1,  
27 2017, and each subsequent fiscal year, the county budgeted  
28 amount determined for each county shall be the amount necessary  
29 to meet the county's financial obligations for the payment  
30 of services provided under the regional service system  
31 management plan approved pursuant to section 331.393, not to  
32 exceed an amount equal to the product of the regional per  
33 capita expenditure target amount multiplied by the county's  
34 population, and, for fiscal years beginning on or after July 1,  
35 2021, reduced by the amount of the county's cash flow reduction

1 amount for the fiscal year calculated under subsection 4, if  
2 applicable.

3 Sec. 10. Section 331.432, subsection 3, Code 2017, is  
4 amended to read as follows:

5 3. Except as authorized in [section 331.477](#), transfers  
6 of moneys between the county ~~mental health and disabilities~~  
7 services fund created pursuant to [section 331.424A](#) and any  
8 other fund are prohibited. This subsection does not apply to  
9 appropriations made or the value of in-kind care and treatment  
10 provided pursuant to section 347.7, subsection 1, paragraph  
11 "c".

12 Sec. 11. Section 347.7, subsection 1, Code 2017, is amended  
13 by adding the following new paragraph:

14 NEW PARAGRAPH. c. For the fiscal years beginning July  
15 1, 2017, July 1, 2018, and July 1, 2019, if a county public  
16 hospital is located in a county having a population of two  
17 hundred twenty-five thousand or over and having a county  
18 budgeted amount for the fiscal year under section 331.424A,  
19 subsection 9, equal to the product of the regional per  
20 capita expenditure target amount multiplied by the county's  
21 population, as those terms are defined in section 331.424A, the  
22 board of trustees shall appropriate for payment on July 1 of  
23 each such fiscal year from the county public hospital fund to  
24 the board of supervisors for deposit in the county services  
25 fund created pursuant to section 331.424A, two million eight  
26 hundred thousand dollars, and the county public hospital shall,  
27 in each such fiscal year, contract with the county in which the  
28 county public hospital is located to provide care and treatment  
29 to patients who are residents of the county and whose costs for  
30 such care and treatment would otherwise qualify for payment  
31 from the county services fund under section 331.424A, in an  
32 amount equal to three million five hundred thousand dollars.

33 Sec. 12. Section 426B.1, subsection 2, Code 2017, is amended  
34 to read as follows:

35 2. Moneys shall be distributed from the property tax

1 relief fund to counties for the mental health and disability  
2 regional service system for ~~providing county base property tax~~  
3 ~~equivalent equalization payments and the per capita growth~~  
4 ~~amount established pursuant to section 426B.3 mental health and~~  
5 ~~disabilities services, in accordance with the appropriations~~  
6 made to the fund and other statutory requirements.

7 Sec. 13. Section 426B.2, Code 2017, is amended to read as  
8 follows:

9 **426B.2 Property tax relief fund payments.**

10 ~~1.~~ The director of human services shall draw warrants on the  
11 property tax relief fund, payable to the county treasurer in  
12 the amount due to a county in accordance with ~~section 426B.3~~  
13 ~~statutory requirements~~, and mail the warrants to the county  
14 auditors in July and January of each year.

15 ~~2.~~ As used in ~~this chapter~~ and in ~~section 331.424A~~, for  
16 ~~purposes of population-based funding calculations, "population"~~  
17 ~~means the population shown by the latest preceding certified~~  
18 ~~federal census or the latest applicable population estimate~~  
19 ~~issued by the federal government, whichever is most recent and~~  
20 ~~available as of July 1 of the fiscal year preceding the fiscal~~  
21 ~~year to which the funding calculations apply.~~

22 Sec. 14. REPEAL. Section 426B.3, Code 2017, is repealed.

23 Sec. 15. COUNTY BUDGET RECERTIFICATION. If this Act takes  
24 effect on or after March 15, 2017, notwithstanding section  
25 24.17, for the fiscal year beginning July 1, 2017, a county may  
26 recertify the county's budget as necessary to implement the  
27 provisions of this Act. A budget recertified pursuant to this  
28 section must be recertified in duplicate to the county auditor  
29 not later than thirty days after the effective date of this  
30 Act, and protests to the budget shall be filed not later than  
31 ten days after the county's budget is recertified.

32 Sec. 16. MENTAL HEALTH AND DISABILITY SERVICES FUNDING —  
33 FISCAL VIABILITY REVIEW DURING 2018 LEGISLATIVE INTERIM. The  
34 legislative council is requested to authorize a study  
35 committee to analyze the viability of the mental health and

1 disability services funding provisions in this Act, including  
2 the methodology used to calculate and determine the base  
3 expenditure amount, the county budgeted amount, the regional  
4 per capita expenditure target amount, the statewide per  
5 capita expenditure target amount, and the cash flow reduction  
6 amount. The study committee shall consist of five members of  
7 the senate, three of whom shall be appointed by the majority  
8 leader of the senate and two of whom shall be appointed by  
9 the minority leader of the senate, and five members of the  
10 house of representatives, three of whom shall be appointed by  
11 the speaker of the house of representatives and two of whom  
12 shall be appointed by the minority leader of the house of  
13 representatives. The study committee shall meet during the  
14 2018 legislative interim to make appropriate recommendations  
15 for consideration during the 2019 legislative session in a  
16 report submitted to the general assembly by January 15, 2019.

17 Sec. 17. WORKGROUP — MENTAL HEALTH, DISABILITY, AND  
18 SUBSTANCE USE DISORDER SERVICES. The department of human  
19 services shall convene a stakeholder workgroup to make  
20 recommendations relating to the delivery of, access to, and  
21 coordination and continuity of mental health, disability, and  
22 substance use disorder services and supports for individuals  
23 with mental health, disability, and substance use disorder  
24 needs, particularly for individuals with complex mental  
25 health, disability, and substance use disorder needs. The  
26 workgroup shall be comprised of representatives from community  
27 mental health centers, law enforcement agencies, the national  
28 alliance on mental illness, the Iowa hospital association,  
29 the judicial system, mental health and disability services  
30 regions, substance abuse treatment providers, the department  
31 of public health, and other entities as appropriate. The  
32 report shall incorporate selected strategies from community  
33 service plans submitted by the mental health and disability  
34 services regions to the department of human services pursuant  
35 to this Act to address services and supports for individuals

1 with mental health, disability, and substance use disorder  
2 needs, particularly for individuals with complex mental health,  
3 disability, and substance use disorder needs. The workgroup  
4 shall submit a report with recommendations to the governor and  
5 general assembly by December 15, 2017.

6 Sec. 18. REGIONAL WORKGROUP — MENTAL HEALTH AND DISABILITY  
7 REGIONAL SERVICES.

8 1. The regional administrator of each mental health  
9 and disability services region shall convene a stakeholder  
10 workgroup to meet on a regular basis, beginning July 1, 2017,  
11 to create collaborative policies and processes relating to  
12 the delivery of, access to, and continuity of services and  
13 supports for individuals with mental health, disability, and  
14 substance use disorder needs, particularly for individuals with  
15 complex mental health, disability, and substance use disorder  
16 needs. Each region shall review resources currently available  
17 including the reduction of mental health and disability  
18 services fund balances and options for combining funding from  
19 different sources, particularly funding available pursuant  
20 to Tit. XIX of the federal Social Security Act, and shall  
21 consider providing additional services and supports in their  
22 own region or partnering with one or more regions to provide  
23 additional services and supports to serve such individuals.  
24 The workgroup shall be comprised of representatives from  
25 hospitals, the judicial system, law enforcement agencies,  
26 managed care organizations, mental health providers, crisis  
27 service providers, substance abuse providers, the national  
28 alliance on mental illness, and other entities as appropriate.

29 2. Each mental health and disability services region  
30 shall submit a community service plan to the department of  
31 human services by October 16, 2017. The plan shall include  
32 planning and implementation time frames and assessment tools  
33 for determining the effectiveness of the plan in achieving the  
34 department's identified outcomes for success in the delivery  
35 of, access to, and coordination and continuity of services and

1 supports for individuals with mental health, disability, and  
2 substance use disorder needs, particularly for individuals with  
3 complex mental health, disability, and substance use disorder  
4 needs, and financial strategies to support the plan including  
5 combined funding from different sources, particularly funding  
6 available pursuant to Tit. XIX of the federal Social Security  
7 Act. The plan shall address how mental health and disability  
8 services regions will spend down mental health and disabilities  
9 services fund balances remaining from the fiscal year ending  
10 June 30, 2016.

11 3. The regional administrator of each mental health and  
12 disability services region shall enter into a memorandum of  
13 understanding with each of Iowa's managed care organizations  
14 that delineates the roles and responsibilities of the region  
15 and the managed care organizations in relation to the plan  
16 developed by the region to address the services and supports  
17 necessary to meet the needs of individuals with mental health,  
18 disability, and substance use disorder needs, particularly  
19 individuals with complex mental health, disability, and  
20 substance use disorder needs.

21 4. In addition to the requirements specified in subsections  
22 2 and 3, the eastern Iowa mental health and disability  
23 services region shall consult with the department to complete  
24 an analysis of the region's mental health, disability, and  
25 substance use disorder service and support concerns and  
26 identify funding opportunities to address such areas of concern  
27 in the region, and shall include information in the region's  
28 plan that includes the concerns, strategies to address the  
29 concerns, and the budget.

30 5. The department shall submit a report to the governor  
31 and general assembly by December 3, 2018, providing a summary  
32 of services implemented by each mental health and disability  
33 services region and an assessment of each region in achieving  
34 the department's identified outcomes for success.

35 Sec. 19. SAVINGS PROVISION. This Act, pursuant to section

1 4.13, does not affect the operation of, or prohibit the  
2 application of, prior provisions of law amended or repealed  
3 by this Act, or rules adopted under chapter 17A to administer  
4 prior provisions of law amended or repealed by this Act, for  
5 fiscal years beginning before July 1, 2017.

6 Sec. 20. EFFECTIVE UPON ENACTMENT. This Act, being deemed  
7 of immediate importance, takes effect upon enactment.

8 Sec. 21. APPLICABILITY. This Act applies to fiscal years  
9 beginning on or after July 1, 2017.>

10 2. Title page, by striking lines 1 through 7 and inserting  
11 <An Act relating to mental health and disabilities, including  
12 the funding of mental health and disability services by  
13 modifying the mental health and disability services property  
14 tax levy, providing for the expenditure and deposit of certain  
15 county hospital property tax revenues, requiring the use  
16 of specified excess cash flow funds, including certain law  
17 enforcement notification provisions, and including effective  
18 date and applicability provisions.>

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